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## State of South Carolina State Ethics Commission

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March - April, 1997

NEWSLETTER

97-003

### Deadlines, deadlines....!

April has been a busy month at the State Ethics Commission. On April 10, all lobbyist and lobbyist's principal disclosure reports were due; also on April 10, all candidates who have an open campaign account were required to file a Campaign Disclosure Form; and on April 15, the Statement of Economic Interests Form was due from all required filers. If you were required to file any of the above mentioned forms, and have not yet filed, please submit the form immediately. Late filing penalties will be assessed to those who fail to file or who are late in filing.

### Top 3 lobbyist & lobbyist's principal spenders

On April 10, all registered lobbyists and lobbyist's principals were required to submit a disclosure form for the period of January 1 - March 31. According to our records, the following were the top 3 lobbyist's principals who spent the most for lobbying activities: South Carolinians for Competitive Electricity which spent \$148,701; Blue Cross & Blue Shield spent \$97,374; and \$95,195 was spent by Red Dot Amusements.

The top 3 lobbyists who received the most for their lobbying efforts include: Dan Jones, the Schafer Co., \$57,500; Shelvie Belser, Blue Cross Blue Shield, \$53,732; and Robert Kneece who earned \$50,100 from Red Dot Amusements.

Copies of all disclosure forms are public record. If you wish to purchase a list of all the lobbyists and lobbyist's principals expenses for the period of January 1 - March 31, you may contact the commission office with your request. Cost is \$2.00 per list.

### Important dates to remember

Keep in mind the following dates for the next several months:

May 26.....	Memorial Day Holiday
June 18.....	Commission Meeting
June 30.....	Public Relations Contracts Reports Due
July 4.....	Independence Day Holiday
July 10.....	Quarterly Campaign Disclosure Form Due

### Public Relations Contracts

All state agencies or other agencies receiving an appropriation are required to file a report with the State Ethics Commission listing all contracts for public communications, public relations, and legislative strategy services.

The Commission has developed these forms including instructions. These forms have been mailed to all state agencies. If your agency is required to file and has not received a form, please contact our office. **The forms are due by June 30.**



## Agency to have a new home

A new home page, that is! We are now in the process of gathering all the information we intend to put on our web site. We are very excited about this and hope to give you our new web site address very soon. We will post our address in the newsletter as soon as it becomes available.

## Lobbyist and lobbyist's principal lists on line

Until we get our home page up and running, you may visit the web site of Legislative Printing (see address below) for a listing of registered lobbyists and lobbyist's principals. The lists are updated monthly to Legislative Printing. If you need a current list, you may contact Hannah King with your request. Copies of each list are \$2.00.

<http://www.lpittr.state.sc.us>

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### Trivia tidbit...

Did you know that SC has one of the toughest ethics laws for lobbyists in the country? Lobbyists can not give anything of value (not even a cup of coffee) to a legislator or state officeholder.

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## Frequently asked questions...

In our last newsletter, we addressed some of the most frequently asked questions concerning Campaign Disclosure Forms. In this issue, we answer the most frequently asked questions concerning the filing of the **Statement of Economic Interests Form**. If you have further questions, please call the Commission office.

**Q. Who is required to file a Statement of Economic Interests Form?**

**A.** ♦Any person appointed to fill the unexpired term of an elected office; ♦Any salaried member of a state board, commission or agency; ♦Chief and deputy chief or assistant administrative official or employee or director of a division, institution, or facility of any agency or department of state government; ♦City administrator, city manager, or chief municipal

administrative official or employee; ♦County manager, county administrator, county supervisor, or chief county administrative official or employee; ♦Chief administrative official or employee of each political subdivision; ♦School district and county superintendent of education; ♦School district and county board of education members; ♦Chief finance official or employee and chief purchasing official or employee of each agency, institution, or facility of state government, and of each county, municipality, or other political subdivision; ♦An elected official; ♦A public member who serves on a state board, commission, or council.

**Q. When are the forms due?**

**A.** ♦By April 15 of each year; ♦Before taking the oath of office or entering upon the official responsibilities; ♦When registering as a candidate for public office.

**Q. What is the purpose of the Statement of Economic Interests Form?**

**A.** The purpose of the form is to identify any conflict of interests the filer may have between his/her position and the public agency's activities.

**Q. What information is asked for on the form?**

**A.** ♦Income received from a governmental entity by the filer or member of the filer's immediate family; ♦Description/value of real property if there have been improvements of more than \$200 on or adjacent to the real property or if real property is sold, leased or rented to a governmental entity or if there is a conflict; ♦Name of each organization which paid or reimbursed expenses for any speaking engagements made by the filer; ♦Every business which the filer or member of the filer's immediate family held/controlled in the aggregate 5% and which constitute a value of \$100,000 or more; ♦Creditors to whom the filer or member of the filer's immediate family owes in excess of \$500 if the creditor is subject to regulation or seeks a financial arrangement with the filer's agency. This does not include credit card or retail installments; ♦A lobbyist who is an immediate family member of the filer or who does business with the filer or a member of the filer's immediate family; ♦Any gifts received from donors who are giving the gift because of the recipients position or donor is seeking a contractual relationship, or is regulated by with the filer's agency.



Q. *Where do I obtain the forms?*

A. You may contact our office or your county Clerk of Court office. Forms are sent each January to those who have previously filed.

### **Complaints resolved**

On April 30, 1997, Frank H. Nemecek signed a Consent Order admitting a violation of the Ethics Reform Act for failing to file a Campaign Disclosure report fifteen days before an election. Mr. Nemecek was a candidate for City Council of City View, SC in the November 2, 1993 general election. Late filing penalties of \$600 had been previously levied, and collected by the South Carolina Department of Revenue through its Setoff Debt Collection program. A Campaign Disclosure Form was filed on April 30, 1997. Further costs and penalties which may have been assessed were waived.

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On April 30, 1997, the Commission found Daniel E. Miller, a candidate for Town Council of Winnsboro, SC, in violation of the Ethics Reform Act for failing to file a Campaign Disclosure report fifteen days before an election. Mr. Miller was a candidate in a General Election on May 2, 1995; therefore, a pre-election Campaign Disclosure Form was to be filed no later than April 17, 1995. A late filing penalty of \$600 was turned over to the Department of Revenue for collection. As a result of a hearing, Mr. Miller was issued a Public Reprimand, and fined \$2000. The Commission ordered that the fine may be suspended upon payment of the late filing penalty, and receipt of a completed Campaign Disclosure report. A disclosure report has not been filed.

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On April 30, 1997, the Commission found Charles L. Denniston, Jr., a candidate for Town Council of Elloree, SC, in violation of the Ethics Reform Act for failing to file a Campaign Disclosure report fifteen days before an election. Mr. Denniston was a candidate in a General Election on November 7, 1995; therefore, a pre-election Campaign Disclosure Form was to be filed no later than October 23, 1995. A late filing penalty of \$600 was turned over to the Department of Revenue for collection. As a result of a hearing, Mr. Denniston was issued a Public Reprimand, and fined \$2000. The Commission ordered that the fine may be suspended upon payment of the late filing penalty, and receipt of a completed

Campaign Disclosure report. A disclosure report has not been filed.

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On April 30, 1997, the Commission found Teresa G. Anderson, the former Business Director of the Aiken County Commission on Alcohol and Drug Abuse, in violation of the Ethics Reform Act for failing to file a Statement of Economic Interests Form for 1996. Mrs. Anderson was issued a Public Reprimand, and fined \$2000. A Statement of Economic Interests form has not been filed. The matter has been referred to the Second Circuit Solicitor.

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On April 30, 1997, the Commission found Rickter L. Hawkins, a candidate for Town Council of North Charleston, SC, in violation of the Ethics Reform Act for failing to file a Campaign Disclosure report fifteen days before an election. Mr. Hawkins was a candidate in a General Election on June 8, 1995; therefore, a pre-election Campaign Disclosure Form was to be filed no later than May 28, 1995. A late filing penalty of \$600 was turned over to the Department of Revenue for collection. As a result of a hearing, Mr. Hawkins was issued a Public Reprimand, and fined \$2000. The Commission ordered that the fine may be suspended upon payment of the late filing penalty, and receipt of a completed Campaign Disclosure report. A disclosure report has not been filed.

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On May 6, 1997, Wright D. Caughman, a Watershed Director with the Fairfield Conservation District, signed a Consent Order admitting a violation of the Ethics Reform Act for failing to file a Statement of Economic Interests form for 1996. Mr. Caughman filed a completed form on March 25, 1997. The Commission issued a Public Reprimand and levied a fine of \$350 plus costs of \$38.44.

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On May 5, 1997, the Commission issued a Decision and Order in a complaint charging South Carolina Department of Public Safety employee Terry D. Cox with failing to file a Statement of Economic Interests. Mr. Cox is employed as an auditor with the Dealer License Unit, and was also employed as the Sales Manager of Cox Enterprises, a used car dealership owned



by his wife. The Ethics Reform Act requires that an employee of a regulatory agency which regulates a business with which he is associated must file a Statement of Economic Interests annually. When first employed in this capacity, Mr. Cox advised his agency of his wife's dealer license. When made aware of the conflict by the State Ethics Commission, Mr. Cox took corrective action by closing the dealership, turning in the dealer license, and filing a Statement of Economic Interests. The Commission determined that while a violation had occurred, because of Mr. Cox's good faith effort to notify his employer and the corrective action taken, all further proceedings would be waived.

### Commission meeting

The next Commission meeting will be held on June 18. Any requests for formal opinions should be submitted before June 2.

## What would you do...?

**Q.** You are a forester with the SC Forestry Commission who has been asked by the local Tree Growers Assn. to attend their luncheon and speak on the future of SC forest developments. As you prepare to leave after the meeting, the president insists on paying for your meal. Can you accept?

**A.** Yes. Section 8-13-715 prohibits a public employee, official, or member acting in an official capacity from accepting anything of value for speaking before a public or private group. However, the public employee, official, or member is **not prohibited** from accepting a meal provided in conjunction with a speaking engagement where all participants are entitled to the same meal and the meal is incidental to the speaking engagement. The forester could also be reimbursed expenses necessary to give the speech.

**State Ethics Commission**

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